

December 16, 2004

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th St., SW
Suite TW-A325
Washington, D.C. 20554

Re: WC Docket No. 04-405

We are submitting our comments in opposition to Bellsouth's request for forbearance. While we are supportive of the Chairman's position of a "light" regulatory touch to the competitive marketplace, it is necessary to maintain oversight when the supplier is also a competitor. Elimination of forbearance sends the wrong message to the stated goal of creating a healthy and vibrant telecommunications marketplace.

The Commission should consider what the intended goal is. As a service provider, we are looking for a consistent message from the FCC in terms of what the rules will be so business models can be maintained. Because of historic precedent in terms of crafting rules that have not endured judicial scrutiny, we find ourselves in a telecom wasteland where no new capital is being deployed, and the competitors left are on life-support. In order for a vibrant marketplace to develop, the Commission must create an environment that will allow competitors to succeed, not through subsidization, but rather through competitive choice.

The Commission should also consider that based on rulings by themselves, including the elimination of UNE elements such as line-sharing, it precludes the competitive industry from deploying capital to create a facilities based alternative to the current Bell structure. That being the case, competitors are left with the sole option of purchasing these components from the ILEC. Granting Bellsouth forbearance will make the situation untenable for the remaining competitive marketplace since their supplier is also a competitor.

It is obviously an expectation of the marketplace that in a deregulatory environment such as telecommunications the Commission needs to take a position with real "teeth" -- since it is unrealistic that an unwilling competitor (the incumbent) should be, nor realistically will, voluntarily secede marketshare or profits versus maintaining the status quo.

Ultimately, while we agree with "less" regulation and allowing competitive forces to act, during the process of deregulation of the marketplace the Commission should intercede to make sure that competition and the benefits that come with it are allowed to come to pass.

We therefore believe that you should deny Bellsouth's request for forbearance.

Respectfully,

Manoj Puranik
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